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11 Attorneys for Plaintiffs

12 MANAGED SOLUTIONS GROUP, INC. **ADR**
 13 and STEVE CHEN

14 *Chen*
 15 **UNITED STATES DISTRICT COURT**
 16 **NORTHERN DISTRICT OF CALIFORNIA**

17 MANAGED SOLUTIONS GROUP, INC., a
 18 Delaware corporation, and STEVE CHEN, an
 19 individual,

20 Plaintiffs,

21 vs.

22 GREAT AMERICAN INSURANCE
 23 COMPANY OF NEW YORK, a New York
 24 corporation,

25 Defendant.

26) Case No.:

27) **C08 03255**

28) **COMPLAINT FOR:**

1) **(1) BREACH OF CONTRACT;**
 2) **(2) BREACH OF THE COVENANT OF**
 3) **GOOD FAITH AND FAIR DEALING**

4) **JURY TRIAL DEMANDED**

5 **FILED**

6 **2008 JUL - 7 A.M.:**

7 **RICHARD W. WIEKING**
 8 **CLERK**
 9 **U.S. DISTRICT COURT**
 10 **NO. DIST. OF CA. S.J.**

11 **SHRL**

Managed Solutions Group, Inc. (“Managed Solutions”) and Steve Chen (“Chen”) seek damages from Great American Insurance Company of New York (“Great American”) for breach of contract.

JURISDICTION

1. This is an action for breach of contract pursuant to 28 U.S.C. § 2201. This federal court has jurisdiction over this action pursuant to 28 U.S.C. § 1332 in that complete diversity exists between the parties as plaintiff Managed Solutions is incorporated in Delaware and has its principal place of business in the State of California, plaintiff Chen is a citizen of the State of California and defendant Great American is a citizen of the State of New York.

2. The amount in controversy exceeds the sum of Seventy Five Thousand Dollars (\$75,000) exclusive of interest and costs and, in addition to other and further relief, declaratory relief sought.

THE PARTIES

3. Plaintiff Managed Solutions Group, Inc. is a business incorporated in the State of Delaware with its principal place of business in the State of California and was at all relevant times herein a named insured under the policy PAC 5281196, effective 4/15/2004 to 4/15/2006.

4. Plaintiff Steve Chen is an individual residing in the State of California and as the executive officer and director of Managed Solutions was at all relevant times herein also an insured under the policy PAC 5281196, effective 4/15/2004 to 4/15/2006.

5. Defendant Great American Insurance Company of New York is, and at all times herein mentioned was, an insurance company organized and existing under the laws of the state of New York with its principal place of business in Cincinnati, Ohio. Great American is admitted to transact insurance business in the State of California.

VENUE AND APPLICABLE LAW

6. Venue is proper in the United States District Court for the Northern District of California pursuant to 28 U.S.C. § 1391(a)(c) in that Managed Solutions Group, Inc. has its principal place of business in Alameda County, California and with business operations in Santa Clara County, California, both within the District. Chen resides within the District.

7. Great American is an insurance company actively selling insurance policies in California and is licensed to sell insurance by the California Department of Insurance. Great American sold the insurance policy at issue in this case to a business in the Northern District of California. If the Northern District of California were a separate state, Great American would have sufficient contacts to be subject to personal jurisdiction in this district.

8. Venue is proper in this District because a substantial part of the events or omissions giving rise to the claims alleged herein occurred in this District. This complaint centers around the obligations and parties under a contract for liability insurance between Great American and Managed Solutions Group, Inc. (the “Great American Policy”) which was formed in the Northern District where Great American actively sells insurance policies and where Managed Solutions Group, Inc., which maintained its principal place of business in Fremont, California, received the pertinent policy.

9. Additionally, the underlying lawsuit that gives rise to this claim is venued in the Northern District of California, styled as *Louis Vuitton Malletier, S.A. v. Managed Solutions Group, Inc., et al.*, U.S.D.C., Case No. C07 3952-JW, Northern District of CA. The underlying lawsuit alleges wrongful acts occurring within this District.

10. The Great American policy was intended to cover Managed Solutions Group, Inc.'s operations within California.

11. The substantive rights of the parties are governed by the law of California because the contract at issue in this case was executed in California, there is no evidence that the parties did not intend to contract pursuant to the laws of the state of California, the underlying claim arises in California, and the policies and interest of California would be most seriously impaired if its laws were not applied. Moreover, the performance required by this policy, the rendering attorneys' fees at present, occurred in California within the Northern District of California.

THE GREAT AMERICAN POLICY

12. Great American issued its Commercial General Liability Policy no. PAC 5281196 to Managed Solutions Group, Inc. with the effective dates of 4/15/2004-4/15/2006. A copy of the 4/15/2004 – 4/15/2005 Great American Policy is attached and incorporated herein as **Exhibit “1.”**

1 A copy of the 4/15/2005 – 4/15/2006 Great American Policy is attached and incorporated herein as
 2 **Exhibit “2.”** Great American employed its Coverage Form CG 00 01 (10/01) policy with \$1 million
 3 of “personal and advertising injury” coverage.

4 13. Steve Chen is a director and an executive officer as president of Managed Solutions
 5 and is being sued in the underlying suit based upon his duties as a director and executive officer of
 6 Managed Solutions. Steve Chen is therefore an Insured under the Great American Policy.

7 14. The Great American Policy language includes the following:

8 **SECTION V – DEFINITIONS**

9 4. “Coverage territory” means:

- 10 a. the United States of America (including its territories and possessions),
 Puerto Rico and Canada;
- 11 c. All other parts of the world if the injury or damage arises out of:
 12 (3) “personal and advertising injury” offenses that take place
 through the Internet or similar electronic means of communication.
- 13 . . .

14 6. “Executive Officer” means a person holding any of the officer
 15 positions created by your charter, constitution, by-laws or any other
 similar governing document.

16 14. “Personal and advertising injury” means injury . . . arising out of one
 17 or more of the following offenses:

- 18 d. oral or written publication, in any manner, of material that
 slanders or libels a person or organization or disparages a person’s or
 organizations goods, products or services;
- 19 f. The use of another’s advertising idea in your “advertisement”;
 or
- 20 g. infringing upon another’s copyright, trade dress or slogan in
 your “advertisement”.
- 21 . . .

22 No endorsements to the policy changed definitions.

23 **COVERAGE B. PERSONAL AND ADVERTISING INJURY
 LIABILITY**

24 1. **Insuring Agreement.**

- 25 a. We will pay those sums that the Insured becomes legally
 obligated to pay as damages because of “personal and advertising
 injury” to which this insurance applies. We will have the right and
 duty to defend the Insured against any “suit” seeking those
 damages.
- 26 b. This insurance applies to “personal and advertising injury”

caused by an offense arising out of your business but only if the offense is committed "in the coverage territory" during the policy period.

SECTION II - WHO IS AN INSURED

1. If you are designated in the declarations as:

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are Insureds but only with respect to their duties as your officers or directors. . . .

NATURE OF THE UNDERLYING CASE

15. The underlying complaint alleges that the appearance of the underlying plaintiff's products (its trade dress) and its copyrights are infringed by Internet Websites advertising for allegedly counterfeited products offered on websites controlled by Managed Solutions and Steve Chen.

16. The underlying plaintiff is seeking damages from defendants as a result of the illegal promotion, advertisement, offer for sale and/or sale of counterfeit merchandise on Internet Websites for which Managed Solutions and Steve Chen are allegedly responsible.

17. The Policy covers “personal and advertising injury” arising out of the offenses of copyright or trade dress infringement, disparagement, or the use of another’s advertising idea in your advertisement. The allegations in the underlying *Vuitton* suit are that the insured (directly, contributorily or vicariously) advertised “counterfeit” merchandise through websites, using plaintiff’s copyrighted images and its valuable trade dress, that the insured used plaintiff’s advertising idea (the pictures and trade dress of plaintiff’s products, etc.) in its advertisements, and that the insured in effect disparaged plaintiff or its goods by advertising and selling low quality “counterfeit” copies.

18. The complaint in the underlying *Vuitton* suit alleges, for example:

9. Plaintiff is engaged in the manufacture, sale and distribution in interstate and foreign commerce of prestigious high-quality, luxury merchandise, including a wide variety of luggage, handbags, trunks, garment bags, wallets, small leather goods, apparel and other similar items sold throughout the United States in Louis Vuitton boutiques and high quality retail stores . . .

11. . . . Louis Vuitton boutiques, handbags, luggage and

accessories, all utilizing and bearing one or more of Plaintiff's intellectual properties have been and are now recognized by the public and the trade as originating from Plaintiff.

15. Plaintiff's products utilizing and/or bearing one or more of Plaintiff's trademarks, by reason of their style, distinctive design and quality have come to be known by the purchasing public throughout the United States as being of the highest quality [and] are of inestimable value to Plaintiff.

17. . . . Plaintiff will suffer irreparable harm if any third parties, including Defendants herein, are allowed to continue engaging in services and selling infringing goods utilizing and/or bearing identical or substantially similar trademarks.

18. Louis Vuitton has also registered its copyrights in the United States Copyright Office and uses those copyrights in connection with the sale of luxury products. A significant aspect of Louis Vuitton's business is the merchandising of product incorporating the distinctive elements associated with its luxury goods.

19. The revenue from products that bear Louis Vuitton designs and are sold in the United States is substantial. The Appearance and other features of the Louis Vuitton designs are inherently distinctive. The design, configuration, and distinctive features of the Louis Vuitton copyrighted works, and of works related thereto . . . are wholly original with Louis Vuitton and, as fixed in various tangible media, including merchandise, are copyrightable . . .

23. At great expense, Louis Vuitton has created, developed, manufactured, advertised, and marketed its products in such a way that they convey and are associated with luxury products that meet the highest standards and are used by celebrities and dignitaries around the world.

30. . . . The Counterfeiting Websites offer, promote, advertise and facilitate the offer and sale of counterfeit merchandise which infringes the intellectual property rights of Louis Vuitton . . . The Counterfeiting Websites publish unauthorized reproductions of the Louis Vuitton Copyrighted Designs to promote the sale of counterfeit merchandise. . . .

35. The Counterfeiting Websites are engaging in illegal conduct including but not necessarily limited to the promotion, advertisement, offer for sale, sale and distribution of counterfeit goods in violation of the Lanham Act, as amended.

39. Defendants therefore bear contributory liability for the Counterfeiting Websites' counterfeiting of the Plaintiff's Trademarks

41. Plaintiff has sustained damages as a result of the Defendants' wrongful contributory conduct . . .

45. Defendants are therefore vicariously liable for the damages

caused to Plaintiff as a result of the illegal promotion, advertisement, offer for sale and/or sale of counterfeit merchandise at the Counterfeiting Websites

TENDER AND AGREEMENT TO DEFEND

19. Managed Solutions and Steve Chen gave notice and tendered the defense of the *Vuitton* suit to Great American on September 7, 2007.

20. On September 27, 2007 Great American agreed to defend Managed Solutions in the *Vuitton* suit under a reservation of rights but declined to defend Steve Chen on the basis that Chen was not listed on the policy application as an executive officer. Great American agreed to pay the reasonable fees and expenses of Managed Solutions chosen independent defense counsel, Gauntlett & Associates to defend the underlying *Vuitton* suit. A copy of Great American's letter is attached and incorporated herein as **Exhibit "3."**

21. On December 19, 2007 Great American agreed to a blended attorney billing rate of \$350 per hour for all defense work performed by Gauntlet & Associates on behalf of Great American's insured in the *Vuitton* suit. Following this agreement, full payment was made on December 30, 2007 by Great American on Managed Solutions' October 1, November 2 and December 2, 2007 defense invoices.

FAILURE TO PAY DEFENSE EXPENSES

22. On December 31, 2007 an invoice reflecting work performed in defense of Managed Solutions in the *Vuitton* case was submitted to Great American. Similar defense invoices were submitted to Great American on February 1, March 3, April 1, May 1, June 1 and July 1, 2008.

23. On March 3, 2008 Great American agreed to make a partial payment on the December 31, 2007 defense invoice. That partial payment was received on March 25, 2008.

24. Managed Solutions objected in writing to Great American's unreasonable reductions to the December 31, 2007 invoice. Great American never responded to Managed Solutions objection.

25. On April 7, 2008 Great American agreed to make a partial payment on the March 3, 2008 invoice. That partial payment was received on April 28, 2008.

26. Managed Solutions objected in writing to Great American's unreasonable reductions

1 to the March 3, 2008 invoice. In response, Great American agreed to submit another partial
2 payment, which was received on April 29, 2008. Managed Solutions further objected to the
3 unreasonable reductions and requested full payment of the March 3, 2008 defense invoice. Great

4 American never responded to Managed Solutions' further objection.

5 27. Great American has not made any payments on the February 1, April 1, May 1, June
6 1 and July 1, 2008 invoices. In addition, Great American has failed to provide Managed Solutions
7 with any explanation of the lengthy delay in payment of Managed Solutions' defense expenses.
8 Great American has not given an estimate of when such payments will be made except that on July
9 2, 2008 it advised that partial payments were being made on the April 1 and May 1, 2008 defense
10 invoices.

11 FIRST CAUSE OF ACTION

12 (Breach of Contract)

13 28. Plaintiffs incorporate by reference all preceding paragraphs as though fully set forth
14 herein. A valid contract existed between Managed Solutions and Great American, namely the Great
15 American Policy.

16 29. Managed Solutions is the principal named Insured under the Great American Policy.
17 Chen is an Insured under the policy because he was at all relevant times the director and the
18 executive officer of Managed Solutions as its president and was therefore entitled to defense for his
19 alleged conduct as part of his duties as director and officer of Managed Solutions.

20 30. Managed Solutions and Chen complied with all of its obligations and conditions
21 pursuant to the Great American Policy, except those obligations and conditions that were waived or
22 excused.

23 31. Great American breached the terms of the Great American Policy by failing to agree
24 to defend Chen in the *Vuitton* suit and by failing to immediately, completely and entirely pay Chen's
25 reasonable and necessary defense expenses.

26 32. Great American breached the terms of the Great American Policy by failing to
27 immediately, completely and entirely pay Managed Solutions' reasonable and necessary defense
28 expenses. Great American's failure to completely and immediately pay Managed Solutions'

reasonable and necessary defense costs is a breach of Great American's duty to defend under the Great American Policy.

33. As a direct and proximate result of Great American's material breach of the Great American Policy, Managed Solutions and Chen have suffered and continue to suffer damage in an amount to be proven at trial, but in excess of \$75,000, plus interest thereon at the maximum legal rate.

34. Managed Solutions and Chen are entitled to an order requiring Great American to pay all their future defense expenses within thirty days of the invoice.

35. Great American is liable for all Plaintiffs' defense expenses incurred from date of invoice plus pre-judgment interest at 10% per annum thereon for the fees necessary and reasonable to defend Managed Solutions and Chen in the *Vuitton* suit through its independent counsel.

SECOND CAUSE OF ACTION

(Breach of Covenant of Good Faith and Fair Dealing)

36. Plaintiffs incorporate by reference all preceding paragraphs as though fully set forth herein.

37. Great American breached its duty to defend Managed Solutions and Chen by failing to immediately, completely and entirely pay Managed Solutions' reasonable and necessary defense expenses.

38. Great American has breached its implied contractual covenant of good faith and fair dealing owed to Managed Solutions and Chen by failing to immediately, completely and entirely pay Managed Solutions' and Chen's reasonable and necessary defense expenses.

39. Managed Solutions and Chen have been forced, because of Great American's unreasonable breach of its contract duties, to retain legal counsel to hire this suit to collect contract benefits.

40. Great American has unreasonably breached the contract and has withheld policy benefits by means constituting oppression, fraud and malice authorized or ratified by at least one officer, director or managing agent of Great American.

41. Managed Solutions and Chen are entitled to damages caused by Great American's

1 breach including legal expenses to recover contract benefits and is entitled to punitive damages.

2 **PRAYER FOR RELIEF**

3 WHEREFORE, Plaintiffs Managed Solutions and Chen pray for judgment against Defendant
4 Great American as follows:

5 1. That the Court decree that Great American had a duty to defend Managed Solutions
6 and Chen in the underlying *Vuitton* suit;

7 2. That the Court decree that Great American was and is obligated to pay the fees
8 incurred by Plaintiffs' independent counsel at their standard hourly rates, which rates are reasonable,
9 for reasonable time accrued thereon, from date of notice to Great American of the *Vuitton* suit;

10 3. For award of all reasonable attorneys' fees incurred by Managed Solutions' and
11 Chen's independent counsel, together with pre-judgment interest from the date of invoice.

12 4. For award of all reasonable attorneys' fees incurred by Managed Solutions and Chen
13 in their efforts to obtain full policy benefits through this suit, together with pre-judgment interest;

14 5. For costs of suit herein; and

15 6. For an order compelling Great American to pay all Plaintiffs' reasonable and
16 necessary defense expenses to defense counsel during the entire time the *Vuitton* suit remains
17 pending and to pay each invoice within thirty-days of the date of each invoice from defense counsel;

18 7. For an award of punitive damages;

19 8. For such other and further relief as the Court may deem just and proper.

20
21 Dated: July 3, 2008

GAUNTLETT & ASSOCIATES

22
23 By:

24
25 David A. Gauntlett
James A. Lowe
Christopher G. Lai

26
27
28
Attorneys for Plaintiffs
Managed Solutions Group, Inc.
and Steve Chen

1 **DEMAND FOR JURY TRIAL**

2 Plaintiffs demand a jury trial.

3

4 Dated: July 3, 2008

GAUNTLETT & ASSOCIATES

5 By:

6 David A. Gauntlett

7 James A. Lowe

8 Christopher G. Lai

9 Attorneys for Plaintiffs
Managed Solutions Group, Inc.
and Steve Chen

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COPY OF ORIGINAL

GREAT AMERICAN
INSURANCE GROUP
Administrative Offices
580 Walnut Street
Cincinnati, Ohio 45202
Tel: 1-513-369-5000

CG 74 00 (Ed.07/01)

Policy: PAC 528-11-96 00

**BUSINESSPRO GENERAL LIABILITY COVERAGE PART
DECLARATION PAGE**

NAMED INSURED: MANAGED SOLUTIONS GROUP, INC.

POLICY PERIOD:

04/15/2004 to 04/15/2005

LIMITS OF INSURANCE:**General Aggregate Limit (Other Than Products -**

Completed Operations	\$ 2,000,000
Products - Completed Operations Aggregate Limit	\$ 2,000,000
Personal and Advertising Injury Limit	\$ 1,000,000
Each Occurrence Limit	\$ 1,000,000
Damage to Premises Rented to You Limit	\$ 100,000 Any One Premises
Medical Expense Limit	\$ 10,000 Any One Person

FORM OF BUSINESS: CORPORATION**TOTAL ESTIMATED PREMIUM: \$1,314.00**

Products/Completed Operations	All Other
\$	1,314.00

SCHEDULE OF LOCATIONS

Location: 0001 Building: 0001
46750 FREMONT BLVD SUITE 107
FREMONT, CA 94538

Location: 0002 Building: 0001
50 W. SAN FERNANDO 18TH FLOOR
SAN JOSE, CA 95113

CODE NUMBER: 44444

PREMIUM BASIS: MANUAL RATED - NON-AU

Classification: PREMISES/OPERATIONS AND PRODUCTS/COMPLETED OPERATIONS - NOC

Products/Completed Operations

All Other

EXPOSURE:

EXPOSURE: IF ANY

RATE:

RATE:

PREMIUM: \$0.00

PREMIUM: \$26.00

BUSINESSPRO (Reg. U.S. Pat. Off.)

CG 74 00

07/01

(Page 1 of 2)

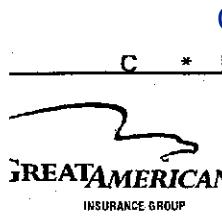
EXHIBIT

1

ALL-STATE® INTERNATIONAL

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Policy: PAC 528-11-96 00

BUSINESSPRO GENERAL LIABILITY COVERAGE PART DECLARATION PAGE

CODE NUMBER: 41675 PREMIUM BASIS: PER \$1000 PAYROLL
 Classification: COMPUTER CONSULTING OR PROGRAMMING
 PRODUCTS-COMPLETED OPERATIONS COVERAGE IS INCLUDED BUT IS
 SUBJECT TO THE GENERAL AGGREGATE LIMIT NOT THE PRODUCT COMPLETED
 OPERATION AGGREGATE LIMIT, IF ANY

Products/Completed Operations	All Other
EXPOSURE:	EXPOSURE: 750,000
RATE: INCLUDED	RATE: .859
PREMIUM: INCLUDED	PREMIUM: \$644.00

CODE NUMBER: 41675 PREMIUM BASIS: PER \$1000 PAYROLL
 Classification: COMPUTER CONSULTING OR PROGRAMMING
 PRODUCTS-COMPLETED OPERATIONS COVERAGE IS INCLUDED BUT IS
 SUBJECT TO THE GENERAL AGGREGATE LIMIT NOT THE PRODUCT COMPLETED
 OPERATION AGGREGATE LIMIT, IF ANY

Products/Completed Operations	All Other
EXPOSURE:	EXPOSURE: 750,000
RATE: INCLUDED	RATE: .859
PREMIUM: INCLUDED	PREMIUM: \$644.00

FORMS AND ENDORSEMENTS applying to this Coverage Part and made part of this Policy at time of issue:
 SEE CG 88 01 11/85

BUSINESSPRO (Reg. U.S. Pat. Off.)

CG 74 00

07/01

(Page 2 of 2)

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580 Walnut Street
Cincinnati, Ohio 45202
Tel: 1-513-369-5000
REATAMERICAN.
INSURANCE GROUP

CG 88 01 (Ed.11/85)

Policy: PAC 528-11-96 00

BUSINESSPRO FORMS AND ENDORSEMENTS SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

Form and Edition	Date Added* or Date Deleted	Date Deleted	Form Description
1. CG0001	10/01		COMM GENERAL LIABILITY COVERAGE
2. CG0062	12/02		WAR LIABILITY EXCLUSION
3. CG2116	07/98		EXCL-DESIGNATED PROFESSIONAL SERV
4. CG2147	07/98		EMPLOYMENT RELATED PRACTICES EXCL
5. CG2153	01/96		EXCL-DESIGNATED ONGOING OPERATIONS
6. CG2171	12/02		LTD TERROR EXCL(O/T CERTIFIED)CAP L
7. CG2176	11/02		EXCL OF PUN DAMAGES RELATED TO TERR
8. CG2275	07/98		EXCL-PROF SERV-COMPUTER SERV
9. CG2288	07/98		PROF LIAB EXCL-ELECTRONIC DATA PROC
10. CG2291	07/98		EXCL-TELECOMMUNICATION EQUIP OR SER
11. CG2298	10/01		EXCL-INTERNET SERVICE PROVIDERS
12. CG2299	10/01		EXCL-PROFESSIONAL LIAB-WEB SITE
13. CG7400	07/01		GENERAL LIABILITY DEC PAGE
14. CG7624	12/01		EXCL-TOTAL POLLUTION W/O HOSTILE

* IF NOT AT INCEPTION

C * LS*06/02/04*PA 5281196-00

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 580 Walnut Street
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 Tel: 1-513-369-5000

REATAMERICAN
 INSURANCE GROUP

CG 21 16 (Ed.07/98)

Policy: PAC 528-11-96 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION--DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description of Professional Services:

ALL PROFESSIONAL SERVICES PROVIDED BY OR ON BEHALF OF THE INSURED

If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

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 INSURANCE GROUP

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CG 21 53 (Ed.01/96)

Policy: PAC 528-11-96 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**EXCLUSION - DESIGNATED ONGOING OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART**SCHEDULE****Description of Designated Ongoing Operation(s):****ALARM MONITORING SERVICES AND 911 CALL CENTERS****Specified Location (If Applicable):****ALARM MONITORING SERVICES AND 911 CALL CENTERS**

If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.

The following exclusion is added to Paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of the ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location."

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

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CG 00 62
(Ed. 12 02)**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WAR LIABILITY EXCLUSION****This endorsement modifies insurance provided under the following:****COMMERCIAL GENERAL LIABILITY COVERAGE PART**

A. Exclusion i. under Paragraph 2., Exclusions of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY is replaced by the following:

2. Exclusions

The insurance does not apply to:

i. War

"Bodily injury" or "property damage," however caused, arising, directly or indirectly, out of:

- (1) war, including undeclared or civil war; or
- (2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

B. The following exclusion is added to Paragraph 2., Exclusions of SECTION I - COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY:

2. Exclusions

This insurance does not apply to:

War

"Personal and advertising injury," however caused; arising, directly or indirectly, out of:

- a. war, including undeclared or civil war; or
- b. warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

C. Exclusion h. under Paragraph 2., Exclusions of SECTION I - COVERAGE C - MEDICAL PAYMENTS does not apply.

Medical payments due to war are now subject to Exclusion g. of Paragraph 2., Exclusions of SECTION I - COVERAGE C - MEDICAL PAYMENTS since "bodily injury" arising out of war is now excluded under Coverage A.

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CG 21 47
(Ed. 07 98)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

1. a person arising out of any:

- (a) refusal to employ that person;
- (b) termination of that person's employment; or
- (c) employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

2. the spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

1. whether the Insured may be liable as an employer or in any other capacity; and
2. to any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

1. A person arising out of any:

- (a) refusal to employ that person;
- (b) termination of that person's employment; or
- (c) employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination directed at that person; or

2. the spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

1. whether the Insured may be liable as an employer or in any other capacity; and
2. to any obligation to share damages with or repay someone else who must pay damages because of the injury.

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CG 21 76
(Ed. 11 02)**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EXCLUSION OF PUNITIVE DAMAGES RELATED TO A
CERTIFIED ACT OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
 FARM GENERAL LIABILITY COVERAGE PART AND PERSONAL LIABILITY COVERAGE ENDORSEMENT
 LIQUOR LIABILITY COVERAGE PART
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART
 UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

Terrorism Punitive Damages

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definition is added:

Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism":

1. the act resulted in aggregate losses in excess of \$5 million; and
2. the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION - COMPUTER SOFTWARE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Section I - Coverage A - Bodily Injury And Property Damage Liability and Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions.

B. With respect to the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, fran-

chising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions, Exclusion 2.b. - Contractual Liability under Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

b. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROFESSIONAL LIABILITY EXCLUSION - ELECTRONIC
DATA PROCESSING SERVICES AND COMPUTER CONSULTING
OR PROGRAMMING SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to Paragraph 2., Exclusions of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY and SECTION I - COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY:

2. Exclusions

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, electronic data processing, computer consulting or computer programming services, advice or instruction by:

- a. the insured; or
- b. any person or organization:
 - (1) for whose acts, errors or omissions the insured is legally responsible; or
 - (2) from whom the insured assumed liability by reason of a contract or agreement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - TELECOMMUNICATION EQUIPMENT OR SERVICE PROVIDERS ERRORS AND OMISSIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., Exclusions of **SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2., Exclusions of **SECTION I - COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**:

2. Exclusions

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising out of:

- a. an error, omission, defect or deficiency in any evaluation, consultation or advice given by or on behalf of any Insured concerning telecommunication equipment or services;
- b. any advice, consultation, evaluation, inspection, supervision, quality control or phone network set-up, including central office cabling, done by you or for you on a project on which you serve as a telecommunication equipment or service provider; or
- c. the failure of any Insured to adequately provide telecommunication services.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - INTERNET SERVICE PROVIDERS AND INTERNET
ACCESS PROVIDERS ERRORS AND OMISSIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.,
**Exclusions of Section I - Coverage A - Bodily
Injury And Property Damage Liability** and Para-
graph 2., **Exclusions of Section I - Coverage B
- Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to "bodily in-
jury," "property damage" or "personal and ad-
vertising injury" arising out of:

- a. an error, omission, defect or deficiency in
any evaluation, consultation or advice that
is given by or on behalf of any Insured
concerning Internet service or Internet ac-
cess; or
- b. the failure of any Insured to adequately
provide Internet services or Internet ac-
cess.

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(Ed. 10 01)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION - WEB-SITE DESIGNERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.,
**Exclusions of Section I - Coverage A - Bodily
Injury And Property Damage Liability and Para-
graph 2., Exclusions of Section I - Coverage B
- Personal And Advertising Injury Liability:**

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising out of any act, error or omission with respect to web-site designer or consultant services, rendered by or that should have been rendered by:

1. the Insured; or
2. any person or organization:
 - a. for whose acts, errors or omissions the Insured is legally responsible; or
 - b. from whom the Insured assumed liability by reason of a contract or agreement

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Tel: 1-513-369-5000

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART**1. SECTION I - COVERAGES, COVERAGE A -
Bodily Injury and Property Damage Liability.** 2. Exclusions is hereby amended by replacement of Exclusion f. with the following:**f. Pollution**

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants," at any time.

Exclusion f.(1) does not apply to "bodily injury" which is sustained within a building that is at a premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any Insured, if caused by smoke, fumes, vapor or soot.

(a) from equipment used to heat that building; or

(b) that escape from units that are used to heat water.

(2) Any loss, cost or expense arising out of any:

(a) request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutant"; or

(b) claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assess the effects of "pollutants."

**2. SECTION I - COVERAGES, COVERAGE B -
Personal and Advertising Injury Liability.** 2. Exclusions is hereby amended by the replacement of Exclusion m. with the following:

m. which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "Insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - DEFINITIONS.

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the Insured against any "suit" seeking those damages. However, we will have no duty to defend the Insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But

- (1) the amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of

judgments or settlements under Coverages A. or B. or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A. and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) the "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) the "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no Insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed Insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

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d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the Insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the Insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) that the Insured would have in the absence of the contract or agreement; or

(2) assumed in a contract or agreement that is an "insured contract"; provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract," reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an Insured are deemed to be damages because of "bodily injury" or "property damage," provided:

- (a) liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (b) such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any Insured may be held liable by reason of:

- (1) causing or contributing to the intoxication of any person;
- (2) the furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation and Similar Laws

Any obligation of the Insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

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e. Employer's Liability**"Bodily injury"** to:

- (1) An "employee" of the Insured arising out of and in the course of:
 - (a) employment by the Insured; or
 - (b) performing duties related to the conduct of the Insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) whether the Insured may be liable as an employer or in any other capacity; and
- (2) to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the Insured under an "insured contract".

f. "Pollution"

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any Insured; However, this subparagraph does not apply:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;
 - (ii) "bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an Additional Insured with respect to your ongoing operations performed for that Additional Insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any Insured, other than that Additional Insured; or
 - (iii) "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) any Insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
 - (d) at or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical,

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hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such Insured, contractor or subcontractor;

(ii) "bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire."

(e) At or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants."

(2) Any loss, cost, or expense arising out of any:

(a) request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants."

However, this paragraph does not apply to liability for damages because of "property damage" that the Insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any Insured. Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any Insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any Insured.

This exclusion does not apply to:

(1) a watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

- (a) less than 26 feet long; and
- (b) not being used to carry persons or property for a charge;
- (3) parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the Insured;
- (4) liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment."

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) the transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any Insured; or
- (2) the use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage to Property

"Property damage" to:

- (1) property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for

any reason, including prevention of injury to a person or damage to another's property;

- (2) premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) property loaned to you;
- (4) personal property in the care, custody or control of the Insured;
- (5) that particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) that particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate Limit of Insurance applies to Damage To Premises Rented To You as described in Section III - Limits of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

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I. Damage to Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "your product";
- (2) "your work"; or
- (3) "impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury."

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Limit of Insurance applies to this coverage as described in Section III - Limits of Insurance

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**1. Insuring Agreement**

a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the Insured against any "suit" seeking those damages. However, we will have no duty to defend the Insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) the amount we will pay for damages is limited as described in Section III; Limits of Insurance, and
- (2) our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements under Coverages A. or B. or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A. and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

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2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the Insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury."

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the Insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the Insured.

e. Contractual Liability

"Personal and advertising injury" for which the Insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the Insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement."

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement."

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement."

i. Infringement Of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement," of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an Insured whose business is:

- (1) advertising, broadcasting, publishing or telecasting;
- (2) designing or determining content of websites for others; or
- (3) an Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

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k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the Insured hosts, owns, or over which the Insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) request, demand or order that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants."

COVERAGE C. MEDICAL PAYMENTS**1. Insuring Agreement**

a. We will pay medical expenses as described below for "bodily injury" caused by an accident.

- (1) on premises you own or rent;
- (2) on ways next to premises you own or rent; or

- (3) because of your operations;

provided that:

- (1) the accident takes place in the "coverage territory" and during the policy period;
- (2) the expenses are incurred and reported to us within one year of the date of the accident; and
- (3) the injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable Limit of Insurance. We will pay reasonable expenses for:

- (1) first aid administered at the time of an accident;
- (2) necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any Insured, except "volunteer workers."

b. Hired Person

To a person hired to do work for or on behalf of any Insured or a tenant of any Insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

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d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any Insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while taking part in athletics.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard."

g. Coverage A. Exclusions

Excluded under Coverage A.

h. War

Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A. AND B.

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an Insured we defend:

a. All expenses we incur.

b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the Insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$250 a day because of time off from work.

e. All costs taxed against the Insured in the "suit."

f. Prejudgment interest awarded against the Insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

2. If we defend an Insured against a "suit" and an indemnitee of the Insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:

a. the "suit" against the indemnitee seeks damages for which the Insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. this insurance applies to such liability assumed by the Insured;

c. the obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the Insured in the same "insured contract";

d. the allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the Insured and the interests of the indemnitee;

e. the indemnitee and the Insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the Insured and the indemnitee; and

f. The indemnitee:

(1) agrees in writing to:

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(a) cooperate with us in the investigation, settlement or defense of the "suit";

(b) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(c) notify any other insurer whose coverage is available to the indemnitee; and

(d) cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) provides us with written authorization to:

(a) obtain records and other information related to the "suit"; and

(b) conduct and control the defense of the indemnitee in such "suit."

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A. - Bodily Injury and Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an Insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

a. we have used up the applicable Limit of Insurance in the payment of judgments or settlements; or

b. the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are Insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an Insured. Your members, your partners, and their spouses are also Insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an Insured. Your members are also Insureds, but only with respect to the conduct of your business. Your managers are Insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an Insured. Your "executive officers" and directors are Insureds, but only with respect to their duties as your officers or directors. Your stockholders are also Insureds, but only with respect to their liability as stockholders.

e. A trust, you are an Insured. Your trustees are also Insureds, but only with respect to their duties as trustees.

2. Each of the following is also an Insured:

a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees," other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are Insureds for:

(1) "Bodily injury" or "personal and advertising injury";

(a) to you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-“employee” while in the course of his or her employment or performing duties related to the conduct of your business, or to your other “volunteer workers” while performing duties related to the conduct of your business;

(b) to the spouse, child, parent, brother or sister of that co-“employee” or “volunteer worker” as a consequence of Paragraph (1)(a) above;

(c) for which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) arising out of his or her providing or failing to provide professional health care services.

(2) “property damage” to property:

(a) owned, occupied or used by,

(b) rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your “employees,” “volunteer workers,” any partner or member (if you are a partnership or joint venture) or any member (if you are a limited liability company).

Any person (other than your “employee” or “volunteer worker”), or any organization while acting as your real estate manager.

Any person or organization having proper temporary custody of your property if you die, but only:

(1) with respect to liability arising out of the maintenance or use of that property; and

(2) until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part

3. With respect to “mobile equipment” registered in your name under any motor vehicle registration law, any person is an Insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an Insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an Insured with respect to:

a. “bodily injury” to a co-“employee” of the person driving the equipment; or

b. “property damage” to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an Insured under this provision.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage A. does not apply to “bodily injury” or “property damage” that occurred before you acquired or formed the organization; and

c. Coverage B. does not apply to “personal and advertising injury” arising out of an offense committed before you acquired or formed the organization.

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No person or organization is an Insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. insureds;
 - b. claims made or "suits" brought; or
 - c. persons or organizations making claims or bringing "suits."
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. medical expenses under Coverage C.;
 - b. damages under Coverage A. except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A. for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard."
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B. for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. damages under Coverage A.; and
 - b. medical expenses under Coverage C.

because of all "bodily injury" and "property damage" arising out of any one "occurrence."

6. Subject to 5. above, the Damage To Premises Rented to You Limit is the most we will pay under Coverage A. for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C. for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) how, when and where the "occurrence" or offense took place;
 - (2) the names and addresses of any injured persons and witnesses; and
 - (3) the nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must

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(1) immediately record the specifics of the claim or "suit" and the date received; and

(2) notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) authorize us to obtain records and other information;

(3) cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.

d. No Insured will, except at that Insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. to join us as a party or otherwise bring us into a "suit" asking for damages from an Insured; or

b. to sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and

release of liability signed by us, the Insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the Insured for a loss we cover under Coverages A. or B. of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

(1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(a) that is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(b) that is Fire insurance for premises rented to you; or temporarily occupied by you with permission of the owner.

(c) that is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(d) if the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A. - Bodily Injury And Property Damage Liability.

(2) Any other primary insurance available to you covering liability for damages arising out of the premises or oper-

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ations for which you have been added as an Additional Insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverage A. or B. to defend the Insured against any "suit" if any other insurer has a duty to defend the Insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the Insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable Limit of Insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limit of Insurance to the total applicable Limits of Insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. the statements in the Declarations are accurate and complete;
- b. those statements are based upon representations you made to us; and
- c. we have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. as if each Named Insured were the only Named Insured; and
- b. separately to each Insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the Insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to

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us. The Insured must do nothing after loss to impair them. At our request, the Insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment."

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. the United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. international waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or

c. All other parts of the world if the injury or damage arises out of:

- (1) goods or products made or sold by you in the territory described in a. above;
- (2) the activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
- (3) "personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the Insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

- a. it incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. the repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. a contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. a sidetrack agreement;
- c. any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. an elevator maintenance agreement;
- f. that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) that indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) under which the Insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."

11. "Loading or unloading" means the handling of property:

- a. after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. while it is in or on an aircraft, watercraft or "auto"; or
- c. while it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. vehicles maintained for use solely on or next to premises you own or rent;
- c. vehicles that travel on crawler treads;

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d. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) power cranes, shovels, loaders, diggers or drills; or

(2) road construction or resurfacing equipment such as graders, scrapers or rollers;

e. vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) cherry pickers and similar devices used to raise or lower workers;

f. vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) equipment designed primarily for:

(a) snow removal;

(b) road maintenance, but not construction or resurfacing; or

(c) street cleaning;

(2) cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury including consequential "bodily injury" arising out of one or more of the following offenses:

a. false arrest, detention or imprisonment;

b. malicious prosecution;

c. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except

(1) products that are still in your physical possession; or

(2) work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

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- (a) When all of the work called for in your contract has been completed.
- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any Insured;
 - (2) the existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury," "property damage," or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. an arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee," and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (i) any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) you;
 - (b) others trading under your name; or
 - (c) a person or organization whose business or assets you have acquired; and

- (2) containers (other than vehicles); materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
 - (1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) the providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) work or operations performed by you or on your behalf; and

- (2) materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work," and

- (2) the providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED TERRORISM EXCLUSION (OTHER THAN CERTIFIED ACTS OF TERRORISM); CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM GENERAL LIABILITY COVERAGE PART AND PERSONAL LIABILITY COVERAGE ENDORSEMENT
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

Terrorism

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism." However, this exclusion applies only when one or more of the following are attributed to such act.

1. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purpose of this provision, serious physical injury means:
 - a. physical injury that involves a substantial risk of death; or

- b. protracted and obvious physical disfigurement; or
- c. protracted loss of or impairment of the function of a bodily member or organ; or
3. the terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. the terrorism is carried out by means of the dispersal of application of pathogenic or poisonous biological or chemical materials; or
5. pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applica-

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ble, and includes but is not limited to "bodily injury," "property damage," "personal and advertising injury," "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. **"Certified act of terrorism"** means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism":
 - a. the act resulted in aggregate losses in excess of \$5 million; and
 - b. the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. **"Other act of terrorism"** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals

and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph b. of the definition of "certified act of terrorism" when such act resulted in aggregate losses of \$5 million or less. Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

- C. In the event of an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Part.
- D. With respect to any one or more "certified acts of terrorism," we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (including subsequent acts of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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Policy: PAC 528-11-96 01

BUSINESSPRO GENERAL LIABILITY COVERAGE PART DECLARATION PAGE

NAMED INSURED: MANAGED SOLUTIONS GROUP, INC.

POLICY PERIOD:

04/15/2005 to 04/15/2006

LIMITS OF INSURANCE:

General Aggregate Limit (Other Than Products - Completed Operations)	\$ 2,000,000
Products - Completed Operations Aggregate Limit	\$ 2,000,000
Personal and Advertising Injury Limit	\$ 1,000,000
Each Occurrence Limit	\$ 1,000,000
Damage to Premises Rented to You Limit	\$ 100,000 Any One Premises
Medical Expense Limit	\$ 10,000 Any One Person

FORM OF BUSINESS: CORPORATION

TOTAL ESTIMATED PREMIUM: \$2,629.00

Products/Completed Operations	All Other
\$	2,629.00

SCHEDULE OF LOCATIONS

Location: 0001 Building: 0001
46750 FREMONT BLVD SUITE 107
FREMONT, CA 94538

Location: 0002 Building: 0001
50 W. SAN FERNANDO 18TH FLOOR
SAN JOSE, CA 95113

Location: 0003 Building: 0001
55 S MARKET ST #1070 & 1460
SAN JOSE, CA 95113

CODE NUMBER: 44444

PREMIUM BASIS: MANUAL RATED - NON-AU

Classification: PREMISES/OPERATIONS AND PRODUCTS/COMPLETED OPERATIONS - NOC

Products/Completed Operations	All Other
EXPOSURE:	EXPOSURE:
RATE:	RATE:
PREMIUM: \$0.00	PREMIUM: \$52.00

BUSINESSPRO (Reg. U.S. Pat. Off.)

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(Page 1 of 2)

EXHIBIT

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Policy: PAC 528-11-96-01

**BUSINESSPRO GENERAL LIABILITY COVERAGE PART
DECLARATION PAGE**
CODE NUMBER: 41675**PREMIUM BASIS: PER \$1000 PAYROLL****Classification: COMPUTER CONSULTING OR PROGRAMMING**
 PRODUCTS-COMPLETED OPERATIONS COVERAGE IS INCLUDED BUT IS
 SUBJECT TO THE GENERAL AGGREGATE LIMIT NOT THE PRODUCT COMPLETED
 OPERATION AGGREGATE LIMIT, IF ANY
Products/Completed Operations**EXPOSURE:****RATE: INCLUDED****PREMIUM: INCLUDED****All Other****EXPOSURE: 1,000,000****RATE: .859****PREMIUM: \$859.00****CODE NUMBER: 41675****PREMIUM BASIS: PER \$1000 PAYROLL****Classification: COMPUTER CONSULTING OR PROGRAMMING**
 PRODUCTS-COMPLETED OPERATIONS COVERAGE IS INCLUDED BUT IS
 SUBJECT TO THE GENERAL AGGREGATE LIMIT NOT THE PRODUCT COMPLETED
 OPERATION AGGREGATE LIMIT, IF ANY
Products/Completed Operations**EXPOSURE:****RATE: INCLUDED****PREMIUM: INCLUDED****All Other****EXPOSURE: 1,000,000****RATE: .859****PREMIUM: \$859.00****CODE NUMBER: 41675****PREMIUM BASIS: PER \$1000 PAYROLL****Classification: COMPUTER CONSULTING OR PROGRAMMING**
 PRODUCTS-COMPLETED OPERATIONS COVERAGE IS INCLUDED BUT IS
 SUBJECT TO THE GENERAL AGGREGATE LIMIT NOT THE PRODUCT COMPLETED
 OPERATION AGGREGATE LIMIT, IF ANY
Products/Completed Operations**EXPOSURE:****RATE: INCLUDED****PREMIUM: INCLUDED****All Other****EXPOSURE: 1,000,000****RATE: .859****PREMIUM: \$859.00**
FORMS AND ENDORSEMENTS applying to this Coverage Part and made part of this Policy at time of issue:
 SEE CG 88 01 11/85
BUSINESSPRO (Reg. U.S. Pat. Off.)

CG 74 00

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BUSINESSPRO FORMS AND ENDORSEMENTS SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

Form and Edition	Date Added* or Date Deleted	Date Added*
		Form Description
1. CG0001	10/01	COMM GENERAL LIABILITY COVERAGE
2. CG0062	12/02	WAR LIABILITY EXCLUSION
3. CG2116	07/98	EXCL-DESIGNATED PROFESSIONAL SERV
4. CG2147	07/98	EMPLOYMENT RELATED PRACTICES EXCL
5. CG2153	01/96	EXCL-DESIGNATED ONGOING OPERATIONS
6. CG2171	12/02	LTD TERROR EXCL(O/T CERTIFIED)CAP L
7. CG2176	11/02	EXCL OF PUN DAMAGES RELATED TO TERR
8. CG2275	07/98	EXCL-PROF SERV-COMPUTER SERV
9. CG2288	07/98	PROF LIAB EXCL-ELECTRONIC DATA PROC
10. CG2291	07/98	EXCL-TELECOMMUNICATION EQUIP OR SER
11. CG2298	10/01	EXCL-INTERNET SERVICE PROVIDERS
12. CG2299	10/01	EXCL-PROFESSIONAL LIAB-WEB SITE
13. CG7400	07/01	GENERAL LIABILITY DEC PAGE
14. CG7624	12/01	EXCL-TOTAL POLLUTION W/O HOSTILE
15. SDM524	12/02	WAR LIABILITY EXCLUSION

* IF NOT AT INCEPTION

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION--DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description of Professional Services:

ALL PROFESSIONAL SERVICES PROVIDED BY OR ON BEHALF OF THE INSURED

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement)

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

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Policy: PAC 528-11-96 01

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - DESIGNATED ONGOING OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description of Designated Ongoing Operation(s):

ALARM MONITORING SERVICES AND 911 CALL CENTERS

Specified Location (If Applicable):

ALARM MONITORING SERVICES AND 911 CALL CENTERS

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to Paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of the ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location."

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

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CG 00 62
(Ed. 12 02)**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WAR LIABILITY EXCLUSION****This endorsement modifies insurance provided under the following:****COMMERCIAL GENERAL LIABILITY COVERAGE PART**

A. Exclusion i. under Paragraph 2., Exclusions of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY is replaced by the following:

2. Exclusions

The insurance does not apply to:

i. War

"Bodily injury" or "property damage," however caused, arising, directly or indirectly, out of:

- (1) war, including undeclared or civil war; or
- (2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

B. The following exclusion is added to Paragraph 2., Exclusions of SECTION I - COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY:

2. Exclusions

This insurance does not apply to:

War

"Personal and advertising injury," however caused, arising, directly or indirectly, out of:

- a. war, including undeclared or civil war; or
- b. warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

C. Exclusion h. under Paragraph 2., Exclusions of SECTION I - COVERAGE C - MEDICAL PAYMENTS does not apply.

Medical payments due to war are now subject to Exclusion g. of Paragraph 2., Exclusions of SECTION I - COVERAGE C - MEDICAL PAYMENTS since "bodily injury" arising out of war is now excluded under Coverage A.

CG 21 47
(Ed. 07 98)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

1. a person arising out of any:
 - (a) refusal to employ that person;
 - (b) termination of that person's employment; or
 - (c) employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
2. the spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

1. whether the Insured may be liable as an employer or in any other capacity; and
2. to any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

1. A person arising out of any:
 - (a) refusal to employ that person;
 - (b) termination of that person's employment; or
 - (c) employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination directed at that person; or
2. the spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

1. whether the Insured may be liable as an employer or in any other capacity; and
2. to any obligation to share damages with or repay someone else who must pay damages because of the injury.

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CG 21 76
(Ed. 11 02)**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EXCLUSION OF PUNITIVE DAMAGES RELATED TO A
CERTIFIED ACT OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
 FARM GENERAL LIABILITY COVERAGE PART AND PERSONAL LIABILITY COVERAGE ENDORSEMENT
 LIQUOR LIABILITY COVERAGE PART
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART
 UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

Terrorism Punitive Damages

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definition is added:

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism":

1. the act resulted in aggregate losses in excess of \$5 million; and
2. the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

CG 22 75
(Ed. 07 98)

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PROFESSIONAL LIABILITY EXCLUSION - COMPUTER SOFTWARE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Section I - Coverage A - Bodily Injury And Property Damage Liability and Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions.

B. With respect to the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, fran-

chising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions, Exclusion 2.b. - **Contractual Liability** under Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

b. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

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(Ed. 07 98)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROFESSIONAL LIABILITY EXCLUSION - ELECTRONIC
DATA PROCESSING SERVICES AND COMPUTER CONSULTING
OR PROGRAMMING SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to Paragraph 2., Exclusions of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY and SECTION I - COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY:

2. Exclusions

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, electronic data processing, computer consulting or computer programming services, advice or instruction by:

- a. the Insured; or
- b. any person or organization:
 - (1) for whose acts, errors or omissions the Insured is legally responsible; or
 - (2) from whom the Insured assumed liability by reason of a contract or agreement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - TELECOMMUNICATION EQUIPMENT OR SERVICE
PROVIDERS ERRORS AND OMISSIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., Exclusions of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY and Paragraph 2., Exclusions of SECTION I - COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY:

2. Exclusions

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising out of:

- a. an error, omission, defect or deficiency in any evaluation, consultation or advice given by or on behalf of any Insured concerning telecommunication equipment or services;
- b. any advice, consultation, evaluation, inspection, supervision, quality control or phone network set-up, including central office cabling, done by you or for you on a project on which you serve as a telecommunication equipment or service provider; or
- c. the failure of any Insured to adequately provide telecommunication services.

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(Ed. 10 01)

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**EXCLUSION - INTERNET SERVICE PROVIDERS AND INTERNET
ACCESS PROVIDERS ERRORS AND OMISSIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.,
**Exclusions of Section I - Coverage A - Bodily
Injury And Property Damage Liability and Para-
graph 2., Exclusions of Section I - Coverage B
- Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to "bodily in-
jury," "property damage" or "personal and ad-
vertising injury" arising out of:

- a. an error, omission, defect or deficiency in any evaluation, consultation or advice that is given by or on behalf of any Insured concerning Internet service or Internet ac-
cess; or
- b. the failure of any Insured to adequately provide Internet services or Internet ac-
cess.

CG 22 99
(Ed. 10-01)**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROFESSIONAL LIABILITY EXCLUSION - WEB-SITE DESIGNERS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.,
**Exclusions of Section I - Coverage A - Bodily
Injury And Property Damage Liability** and Para-
graph 2., **Exclusions of Section I - Coverage B
- Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" arising out of any act, error or omission with respect to web-site designer or consultant services, rendered by or that should have been rendered by:

1. the Insured; or
2. any person or organization:
 - a. for whose acts, errors or omissions the Insured is legally responsible; or
 - b. from whom the Insured assumed liability by reason of a contract or agreement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. SECTION I - COVERAGES, COVERAGE A -
Bodily Injury and Property Damage Liability, 2. Exclusions is hereby amended by replacement of Exclusion f. with the following:

f. Pollution

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants," at any time.

Exclusion f.(1) does not apply to "bodily injury" which is sustained within a building that is at a premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any Insured, if caused by smoke, fumes, vapor or soot

- (a) from equipment used to heat that building; or
- (b) that escape from units that are used to heat water.

(2) Any loss, cost or expense arising out of any:

(a) request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutant"; or

(b) claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assess the effects of "pollutants."

2. SECTION I - COVERAGES, COVERAGE B -
Personal and Advertising Injury Liability, 2. Exclusions is hereby amended by the replacement of Exclusion m. with the following:

m. which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "Insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - DEFINITIONS

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the Insured against any "suit" seeking those damages. However, we will have no duty to defend the Insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But

- (1) the amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of

judgments or settlements under Coverages A. or B. or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A. and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) the "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) the "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no Insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed Insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

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d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the Insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the Insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) that the Insured would have in the absence of the contract or agreement; or

(2) assumed in a contract or agreement that is an "insured contract"; provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract," reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an Insured are deemed to be damages because of "bodily injury" or "property damage," provided:

- (a) liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (b) such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any Insured may be held liable by reason of:

- (1) causing or contributing to the intoxication of any person;
- (2) the furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation and Similar Laws

Any obligation of the Insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

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e. Employer's Liability**"Bodily injury"** to:

- (1) An "employee" of the Insured arising out of and in the course of:
 - (a) employment by the Insured; or
 - (b) performing duties related to the conduct of the Insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) whether the Insured may be liable as an employer or in any other capacity; and
- (2) to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the Insured under an "insured contract."

f. "Pollution"

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any Insured; However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;
 - (ii) "bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site

or location has been added to your policy as an Additional Insured with respect to your ongoing operations performed for that Additional Insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any Insured, other than that Additional Insured; or

- (iii) "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) any Insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) at or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical,

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hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such Insured, contractor or subcontractor;

(ii) "bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire."

(e) At or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants."

(2) Any loss, cost, or expense arising out of any:

(a) request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants."

However, this paragraph does not apply to liability for damages because of "property damage" that the Insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any Insured. Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any Insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any Insured.

This exclusion does not apply to:

(1) a watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

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- (a) less than 26 feet long; and
- (b) not being used to carry persons or property for a charge;
- (3) parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the Insured;
- (4) liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment."

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) the transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any Insured; or
- (2) the use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage to Property

"Property damage" to:

- (1) property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for

any reason, including prevention of injury to a person or damage to another's property;

- (2) premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) property loaned to you;
- (4) personal property in the care, custody or control of the Insured;
- (5) that particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) that particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate Limit of Insurance applies to Damage To Premises Rented To You as described in Section III - Limits of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

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I. Damage to Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "your product";
- (2) "your work"; or
- (3) "impaired property";

If such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury."

Exclusions e. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Limit of Insurance applies to this coverage as described in Section III - Limits of Insurance

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**1. Insuring Agreement**

a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the Insured against any "suit" seeking those damages. However, we will have no duty to defend the Insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) the amount we will pay for damages is limited as described in Section III; Limits of Insurance, and
- (2) our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements under Coverages A. or B. or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A. and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

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2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the Insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury."

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the Insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the Insured.

e. Contractual Liability

"Personal and advertising injury" for which the Insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the Insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement."

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement."

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement."

i. Infringement Of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement," of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an Insured whose business is:

- (1) advertising, broadcasting, publishing or telecasting;
- (2) designing or determining content of websites for others; or
- (3) an Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

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k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the Insured hosts, owns, or over which the Insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) request, demand or order that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants."

COVERAGE C. MEDICAL PAYMENTS**1. Insuring Agreement**

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) on premises you own or rent;
- (2) on ways next to premises you own or rent; or

- (3) because of your operations;

provided that:

- (1) the accident takes place in the "coverage territory" and during the policy period;
- (2) the expenses are incurred and reported to us within one year of the date of the accident; and
- (3) the injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable Limit of Insurance. We will pay reasonable expenses for:

- (1) first aid administered at the time of an accident;
- (2) necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any Insured, except "volunteer workers."

b. Hired Person

To a person hired to do work for or on behalf of any Insured or a tenant of any Insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

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d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while taking part in athletics.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard."

g. Coverage A. Exclusions

Excluded under Coverage A.

h. War

Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A. AND B.

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$250 a day because of time off from work.

- e. All costs taxed against the insured in the "suit."

- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:

- a. the "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. this insurance applies to such liability assumed by the insured;
- c. the obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. the allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. the indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (i) agrees in writing to:

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- (a) cooperate with us in the investigation, settlement or defense of the "suit";
- (b) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) notify any other insurer whose coverage is available to the indemnitee; and
- (d) cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) provides us with written authorization to:

- (a) obtain records and other information related to the "suit"; and
- (b) conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A. - Bodily Injury and Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an Insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. we have used up the applicable Limit of Insurance in the payment of judgments or settlements; or
- b. the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are Insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an Insured. Your members, your partners, and their spouses are also Insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an Insured. Your members are also Insureds, but only with respect to the conduct of your business. Your managers are Insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an Insured. Your "executive officers" and directors are Insureds, but only with respect to their duties as your officers or directors. Your stockholders are also Insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an Insured. Your trustees are also Insureds, but only with respect to their duties as trustees.

2. Each of the following is also an Insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees," other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are Insureds for:
 - (1) "Bodily injury" or "personal and advertising injury";

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- (a) to you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-“employee” while in the course of his or her employment or performing duties related to the conduct of your business, or to your other “volunteer workers” while performing duties related to the conduct of your business;
- (b) to the spouse, child, parent, brother or sister of that co-“employee” or “volunteer worker” as a consequence of Paragraph (1)(a) above;
- (c) for which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) arising out of his or her providing or failing to provide professional health care services.

(2) “property damage” to property:

- (a) owned, occupied or used by,
- (b) rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your “employees,” “volunteer workers,” any partner or member (if you are a partnership or joint venture) or any member (if you are a limited liability company).

- b. Any person (other than your “employee” or “volunteer worker”), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) with respect to liability arising out of the maintenance or use of that property; and
 - (2) until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. With respect to “mobile equipment” registered in your name under any motor vehicle registration law, any person is an Insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an Insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. “bodily injury” to a co-“employee” of the person driving the equipment; or
- b. “property damage” to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A. does not apply to “bodily injury” or “property damage” that occurred before you acquired or formed the organization; and
- c. Coverage B. does not apply to “personal and advertising injury” arising out of an offense committed before you acquired or formed the organization.

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No person or organization is an Insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. insureds;
 - b. claims made or "suits" brought; or
 - c. persons or organizations making claims or bringing "suits."
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. medical expenses under Coverage C.;
 - b. damages under Coverage A. except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A. for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard."
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B. for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. damages under Coverage A.; and
 - b. medical expenses under Coverage C.

because of all "bodily injury" and "property damage" arising out of any one "occurrence."

6. Subject to 5. above, the Damage To Premises Rented to You Limit is the most we will pay under Coverage A. for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C. for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) how, when and where the "occurrence" or offense took place;
 - (2) the names and addresses of any injured persons and witnesses; and
 - (3) the nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any Insured, you must

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- (1) immediately record the specifics of the claim or "suit" and the date received; and

- (2) notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved Insured must:

- (1) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) authorize us to obtain records and other information;
- (3) cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.

d. No Insured will, except at that Insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. to join us as a party or otherwise bring us into a "suit" asking for damages from an Insured; or
- b. to sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and

release of liability signed by us, the Insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the Insured for a loss we cover under Coverages A. or B. of this Coverage Part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. **Excess Insurance**

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (a) that is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

- (b) that is Fire insurance for premises rented to you; or temporarily occupied by you with permission of the owner.

- (c) that is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

- (d) if the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A. - Bodily Injury And Property Damage Liability.

- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or oper-

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ations for which you have been added as an Additional Insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverage A. or B. to defend the Insured against any "suit" if any other insurer has a duty to defend the Insured against that "suit" If no other insurer defends, we will undertake to do so, but we will be entitled to the Insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable Limit of Insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limit of Insurance to the total applicable Limits of Insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. the statements in the Declarations are accurate and complete;
- b. those statements are based upon representations you made to us; and
- c. we have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. as if each Named Insured were the only Named Insured; and
- b. separately to each Insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the Insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to

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us. The Insured must do nothing after loss to impair them. At our request, the Insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment"
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. the United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. international waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or

c. All other parts of the world if the injury or damage arises out of:

- (1) goods or products made or sold by you in the territory described in a. above;
- (2) the activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
- (3) "personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the Insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:
 - a. it incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

 - a. the repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. a contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. a sidetrack agreement;
- c. any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. an elevator maintenance agreement;
- f. that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) that indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) under which the Insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."

11. "Loading or unloading" means the handling of property:

- a. after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. while it is in or on an aircraft, watercraft or "auto"; or
- c. while it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. vehicles maintained for use solely on or next to premises you own or rent;
- c. vehicles that travel on crawler treads;

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d. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

- (1) power cranes, shovels, loaders, diggers or drills; or
- (2) road construction or resurfacing equipment such as graders, scrapers or rollers;

e. vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) cherry pickers and similar devices used to raise or lower workers;

f. vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) equipment designed primarily for:
 - (a) snow removal;
 - (b) road maintenance, but not construction or resurfacing; or
 - (c) street cleaning;
- (2) cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury including consequential "bodily injury" arising out of one or more of the following offenses:

- a. false arrest, detention or imprisonment;
- b. malicious prosecution;
- c. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) products that are still in your physical possession; or
 - (2) work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

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(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any Insured;

(2) the existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury," "property damage," or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. an arbitration proceeding in which such damages are claimed and to which the Insured must submit or does submit with our consent; or

b. any other alternative dispute resolution proceeding in which such damages are claimed and to which the Insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee," and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) you;

(b) others trading under your name; or

(c) a person or organization whose business or assets you have acquired; and

(2) containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) the providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) work or operations performed by you or on your behalf; and

(2) materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work," and

(2) the providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIMITED TERRORISM EXCLUSION (OTHER THAN
CERTIFIED ACTS OF TERRORISM); CAP ON LOSSES
FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM GENERAL LIABILITY COVERAGE PART AND PERSONAL LIABILITY COVERAGE ENDORSEMENT
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

Terrorism

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism." However, this exclusion applies only when one or more of the following are attributed to such act.

1. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purpose of this provision, serious physical injury means:
 - a. physical injury that involves a substantial risk of death; or

- a. protracted and obvious physical disfigurement; or
- b. protracted loss of or impairment of the function of a bodily member or organ; or
3. the terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. the terrorism is carried out by means of the dispersal of application of pathogenic or poisonous biological or chemical materials; or
5. pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applica-

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ble, and includes but is not limited to "bodily injury," "property damage," "personal and advertising injury," "injury" or "environmental damage" as may be defined in any applicable Coverage Part

2. **"Certified act of terrorism"** means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism":
 - a. the act resulted in aggregate losses in excess of \$5 million; and
 - b. the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. **"Other act of terrorism"** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals

and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph b. of the definition of "certified act of terrorism" when such act resulted in aggregate losses of \$5 million or less. Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

- C. In the event of an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Part.
- D. With respect to any one or more "certified acts of terrorism," we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (including subsequent acts of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

Alternative Markets Division
Claims Department
PO Box 5432
Cincinnati, OH 45201-5432
800.824.3052 ph
888.223.1317 fax


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INSURANCE GROUP

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

September 27, 2007

Managed Solutions Group, Inc.
c/o Attorney George Rosenstock
Gauntlet & Associates
Attorneys at Law
18400 VonKarman, Suite 300
Irvine, CA 92612

Re: Claim Number: 702-510502
Policy Number: PAC 5281196 (Effective 4/15/04-08)
Insured: Managed Solutions Group, Inc.
Claimant: Louis Vuitton Malletier, S.A.
Date of Loss: Unknown

United States District Court Northern District of California (Case Number C 07 3952)
Louis Vuitton Malletier, S.A. v. Akanoc Solutions, Inc., et al

Dear Attorney Rosenstock:

This confirms our telephone conversations regarding to the above litigation and your request for review of possible coverage under policies with Great American Insurance Company.

Great American Insurance Company (Great American Insurance Company of New York) affords Commercial General Liability Coverage to Managed Solutions Group, Inc. (MSGI) under policy number PAC 5281196. Great American issued policies annually to MSCI beginning April 15, 2004, continuing through April 15, 2008. Each annual policy has limits of \$2,000,000 aggregate/\$1,000,000 per occurrence/\$1,000,000 personal and advertising injury limit. All policies are written on Coverage Form CG 00 01 (10/01).

We received your September 7, 2007 tender letter, which advised that the named defendants have retained you as counsel. This litigation was filed against MSCI and also against Akanoc

EXHIBIT

Managed Solutions Group, Inc.
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Solutions, Inc. and Steven Chen, who is alleged to be the principal and operator of both MSGI and Akanoc Solutions, Inc. Louis Vuitton is the owner of all rights in and numerous trademarks listed and shown in the complaint. The complaint alleges that these trademarks are in full force of effect and have been copyrighted with the United States Copyright Office. MSGI and Akanoc Solutions, Inc. are Internet service providers, which, among other things, host commercial websites, that facilitate communications between sellers of alleged counterfeit products and their customers. The websites hosted by the servers maintained by MSGI and Akanoc Solutions, Inc. include, but are not limited to, arozbrand.com, bag925.com, ape168.com, wendy929.net and eshoes99.com. The complaint alleges that MSGI and Akanoc Solutions, Inc. had been repeatedly placed on notice of the counterfeit activity, which occurs using their hosting services but have taken no steps to limit, curtail, disable or otherwise discontinue the services they provide or which make such infringing activity possible.

In the first claim for relief, Louis Vuitton alleges that MSGI and Akanoc Solutions, Inc. have "actual knowledge" of the illegal activity based upon notification by counsel and agents of Louis Vuitton and have deliberately disregarded these notifications. As a result, it alleges that the defendants bear contributory liability for counterfeiting of the plaintiff's trademarks in violation of 15 USC 1051 and common law. For this conduct, Louis Vuitton seeks \$1,000,000 per trademark per counterfeit. The second claim for relief alleges vicarious trademark counterfeiting on the same basis and seeks the same amount in damages. The third claim for relief alleges contributory and vicarious copyright piracy. It alleges that MSGI and Akanoc Solutions, Inc. earn revenues for hosting the counterfeiting websites and from each Internet user directed to the websites. Since they have actual knowledge of the counterfeiting websites, they have materially encouraged, enabled and contributed to the infringing conduct. As a result, Louis Vuitton has sustained and will continue to sustain damages from the loss of value of its exclusive rights. As such, it seeks \$150,000 per copyright infringement. Finally, in the prayer for relief, Louis Vuitton seeks a permanent injunction and restraining order in connection with the alleged trademark and copyright infringements.

Please refer to the following sections of the Commercial General Liability policy referenced below:

**CG 00 01
(Ed. 10 01)**

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the Insured against any "suit" seeking those damages. However, we will have no duty to defend the Insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) the amount we will pay for damages is limited as described in (Section III) - Limits Of Insurance; and
- (2) our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements under Coverages A. or B. or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A. and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) the "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) the "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no Insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed Insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

Managed Solutions Group, Inc.
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- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the Insured against any "suit" seeking those damages. However, we will have no duty to defend the Insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - (1) the amount we will pay for damages is limited as described in Section III; Limits of Insurance, and
 - (2) our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements under Coverages A. or B. or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A. and B.

Managed Solutions Group, Inc.
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- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

SECTION V – DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. "Personal and advertising injury" means injury including consequential "bodily injury" arising out of one or more of the following offenses:
 - a. false arrest, detention or imprisonment;
 - b. malicious prosecution;
 - c. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. oral or written publication, in any manner, of material that violates a person's right of privacy.
 - f. The use of another's advertising idea in your "advertisement" or

Managed Solutions Group, Inc.
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g. Infringing upon another's copyright, trade dress or slogan in your "advertisement."

17. "Property damage" means:

- a. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

CG 87 00
(Ed. 04 04)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – TECHNOLOGY COMPANIES LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusions are hereby added to the policy:

1. The insurance afforded by this policy does not apply to any "bodily injury," "property damage," or "personal and advertising injury" arising out of the Insured's rendering of or failure to render any "professional service," including, but not limited to, any "professional service" in connection with any of the following activities or operations:
 - a. providing, installing, maintaining, or servicing any alarm monitoring system or 911 call center;
 - b. providing, installing, maintaining, or servicing "Internet" service or "Internet" access;

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- c. selling, licensing, franchising, designing, writing, or furnishing any computer software, including, but not limited to, electronic data processing programs and any designs, specifications, manuals, or instructions relating to such programs;
- d. electronic data processing, computer consulting, or computer programming services, advice, or instruction;
- e. evaluating, consulting, or advising concerning telecommunications equipment or services;
- f. evaluating, consulting, advising, inspecting, supervising, providing quality control, providing telephone network set-up, or providing central office cabling, on any project on which you serve as a telecommunications equipment or service provider;
- g. providing telecommunications equipment or services;
- h. "Internet" site design, construction, management, hosting, or consulting services;
- i. evaluating, consulting, or advising concerning "Internet" service or "Internet" access.

As used in this endorsement, "professional service" means any service that (a) is performed in the course of the Insured's business, whether or not for a fee, (b) requires the application of specialized education, knowledge, labor, judgment, or skill, and (c) is predominantly mental or intellectual (as opposed to physical or manual) in nature.

As used in this exclusion "Internet" means the international computer network of interoperable packet switched data networks, including, but not limited to, e-mail and the World Wide Web.

2. This insurance does not apply to any "bodily injury," "property damage," or "personal and advertising injury" for which the Insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement relating to the Insured's rendering of any "professional service" excluded by 1., above.

The alleged damages may fall within the definition of "personal and advertising injury". However, the complaint references no date of an "offense" committed during the policy periods as required in the insuring agreement. Additionally, the April 15, 2006-2007 and April 15, 2007-2008 policies have the **Exclusion – Technology Companies Liability** endorsement (CG 87 00) attached to them. This endorsement specifically states that the insurance does not provide

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coverage for "personal and advertising injury" arising out of the insured's rendering of or failure to render any "professional service" in providing Internet service or access, or in connection with Internet hosting services.

It is the position of Great American Insurance Company of New York that this policy endorsement excludes its obligation to provide defense or indemnity to Managed Solutions Group, Inc. for any offenses during the 2006-2007 and 2007-2008 policy periods. Additionally, a review of the policy indicates that Akanoc Solutions, Inc. is not listed as an insured under the policy. Review of information submitted in connection with the application for coverage does not list Steven Chen as a principal of MSGI. Consequently, Great American Insurance Company of New York will not be affording a defense to Akanoc Solutions, Inc. or Steven Chen in the pending litigation.

However, as we discussed, the **Exclusion – Technologies Companies Liability** endorsement was not attached to the April 15, 2004-2005 and April 15 2005-2006 policies. Again, however, there are no alleged "offenses" during either of these policy periods in the complaint as it is currently pled.

Great American Insurance Company of New York will be affording a defense to Managed Solutions Group, Inc. in the pending litigation under a full reservation of rights as afforded under the terms of the policy. By doing so, company does not waive any of its rights or obligations as afforded under the terms of the policy and reserves the right to amend its coverage decision as information develops and seek reimbursement of any defense costs incurred for non-covered claims. Other policy terms and condition may apply to preclude or limit coverage.

In accordance with the provisions of Section 2695.7(3) of the California Code of Regulations, Title 10, Chapter 5, Subchapter 7.5, you may take this matter up with the California Department of Insurance. Inquiries may be directed to:

State of California, Department of Insurance
Claim Service Bureau
3000 South Spring Street, 11th Floor
Los Angeles, CA 90013
Telephone No.: (213) 346-6570

Please contact me upon receipt of this correspondence so that we can discuss billing and reporting issues in connection with your continued representation of MSGI and Steven Chen in the pending litigation. Thank you for your attention to this matter, and I look forward to speaking with you.

Managed Solutions Group, Inc.
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Sincerely,



William J. Curtin, CPCU
Great American Insurance Company
Divisional Claims Examiner
PO Box 5432
Cincinnati, OH 45201-5432

WJC/el

Tel: 1-800-273-7328
Fax: 1-888-223-1317
Email: bcurtin@gaic.com

cc: Managed Solutions Group, Inc.
45535 Northport Loop East
Fremont, CA 94538

For your protection, California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

CIVIL COVER SHEET

JS 44 (Rev. 12/07) (cand rev 1-16-08)

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON PAGE TWO OF THE FORM.)

I. (a) PLAINTIFFS MANAGED SOLUTIONS GROUP, INC., a corporation, and STEVE CHEN, an individual		DEFENDANTS GREAT AMERICAN INSURANCE COMPANY OF NEW YORK, a New York corporation
(b) County of Residence of First Listed Plaintiff Alameda (EXCEPT IN U.S. PLAINTIFF CASES)		County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.
(c) Attorney's (Firm Name, Address, and Telephone Number) <i>ADR</i> David A. Gauntlet, James A. Lowe, Christopher G. Liu Gauntlet & Associates 18400 Von Karman Irvine, CA 92612 Telephone: (949) 553-1010; Fax: (949) 553-2050		Attorneys (If Known)
C 08 03255		
II. BASIS OF JURISDICTION (Place an "X" in One Box Only)		III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant) (For Diversity Cases Only)
<input type="checkbox"/> 1 U.S. Government Plaintiff	<input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)	Citizen of This State <input checked="" type="checkbox"/> PTF <input type="checkbox"/> DEF 1 Incorporated or Principal Place of Business In This State <input type="checkbox"/> PTF <input checked="" type="checkbox"/> DEF 4
<input type="checkbox"/> 2 U.S. Government Defendant	<input checked="" type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	Citizen of Another State <input type="checkbox"/> PTF <input checked="" type="checkbox"/> DEF 2 Incorporated and Principal Place of Business In Another State <input checked="" type="checkbox"/> PTF <input checked="" type="checkbox"/> DEF 5
		Citizen or Subject of a Foreign Country <input type="checkbox"/> PTF <input type="checkbox"/> DEF 3 Foreign Nation <input type="checkbox"/> PTF <input type="checkbox"/> DEF 6

C08 03255

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

1 U.S. Government Plaintiff 3 Federal Question
(U.S. Government Not a Party)

2 U.S. Government Defendant 4 Diversity
(Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff
(For Diversity Cases Only) and One Box for Defendant) **PLAINTIFF**

	PTF	DEF		PTF	DEF			
Citizen of This State	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/>	4	<input type="checkbox"/>	4
Citizen of Another State	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2	Incorporated and Principal Place of Business In Another State	<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>	5
Citizen or Subject of a Foreign Country	<input type="checkbox"/>	<input type="checkbox"/>	3	Foreign Nation	<input type="checkbox"/>	6	<input type="checkbox"/>	6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input checked="" type="checkbox"/> 110 Insurance	PERSONAL INJURY	PERSONAL INJURY	<input type="checkbox"/> 610 Agriculture	<input type="checkbox"/> 422 Appeal 28 USC 158	<input type="checkbox"/> 400 State Reapportionment
<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 362 Personal Injury—	<input type="checkbox"/> 620 Other Food & Drug	<input type="checkbox"/> 423 Withdrawal	<input type="checkbox"/> 410 Antitrust
<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 365 Personal Injury —	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	28 USC 157	<input type="checkbox"/> 430 Banks and Banking
<input type="checkbox"/> 140 Negotiable Instrument	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 630 Liquor Laws		<input type="checkbox"/> 450 Commerce
<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 330 Federal Employers' Liability		<input type="checkbox"/> 640 R.R. & Truck		<input type="checkbox"/> 460 Deportation
<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 340 Marine	PERSONAL PROPERTY	<input type="checkbox"/> 650 Airline Regs.	PROPERTY RIGHTS	<input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations
<input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Ex. Veterans)	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 370 Other Fraud	<input type="checkbox"/> 660 Occupational Safety/Health	<input type="checkbox"/> 820 Copyrights	<input type="checkbox"/> 480 Consumer Credit
<input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 371 Truth in Lending	<input type="checkbox"/> 690 Other	<input type="checkbox"/> 830 Patent	<input type="checkbox"/> 490 Cable/Sat TV
<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 355 Motor Vehicle	<input type="checkbox"/> 380 Other Personal Property Damage		<input type="checkbox"/> 840 Trademark	<input type="checkbox"/> 810 Selective Service
<input type="checkbox"/> 190 Other Contract		<input type="checkbox"/> 385 Property Damage			<input type="checkbox"/> 850 Securities/Commodities/ Exchange
<input type="checkbox"/> 195 Contract Product Liability	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 386 Product Liability			<input type="checkbox"/> 875 Customer Challenge
<input type="checkbox"/> 196 Franchise					12 USC 3410
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	LABOR	SOCIAL SECURITY	OTHER STATUTES
<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 441 Voting	<input type="checkbox"/> 510 Motions to Vacate Sentence	<input type="checkbox"/> 710 Fair Labor Standards Act	<input type="checkbox"/> 861 HIA (1395ff)	<input type="checkbox"/> 890 Other Statutory Actions
<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 442 Employment	Habeas Corpus:	<input type="checkbox"/> 720 Labor/Mgmt. Relations	<input type="checkbox"/> 862 Black Lung (923)	<input type="checkbox"/> 891 Agricultural Acts
<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 443 Housing/ Accommodations	<input type="checkbox"/> 530 General	<input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act	<input type="checkbox"/> 863 DIWC/DIWW (405(g))	<input type="checkbox"/> 892 Economic Stabilization Act
<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 444 Welfare	<input type="checkbox"/> 535 Death Penalty	<input type="checkbox"/> 740 Railway Labor Act	<input type="checkbox"/> 864 SSID Title XVI	<input type="checkbox"/> 893 Environmental Matters
<input type="checkbox"/> 245 Torts Product Liability	<input type="checkbox"/> 445 Amer. w/Disabilities - Employment	<input type="checkbox"/> 540 Mandamus & Other	<input type="checkbox"/> 790 Other Labor Litigation	<input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 894 Energy Allocation Act
<input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 446 Amer. w/Disabilities - Other	<input type="checkbox"/> 550 Civil Rights	<input type="checkbox"/> 791 Empl. Rel. Inc. Security Act		<input type="checkbox"/> 895 Freedom of Information Act
	<input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 555 Prison Condition			
				FEDERAL TAX SUITS	
				<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)	<input type="checkbox"/> 900 Appeal of Fee Determination
				<input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> Under Equal Access to Justice
					<input type="checkbox"/> 950 Constitutionality of State Statutes
			IMMIGRATION		
			<input type="checkbox"/> 462 Naturalization Application		
			<input type="checkbox"/> 463 Habeas Corpus — Alien Detainee		
			<input type="checkbox"/> 465 Other Immigration		

V. ORIGIN (Place an "X" in One Box Only)

1 Original Proceeding 2 Removed from State Court 3 Remanded from Appellate Court 4 Reinstated or Reopened 5 another district (specify) 6 Multidistrict Litigation 7 Judge from Magistrate Judgment

Cite the U.S. Civil Statute under which you are filing (**Do not cite jurisdictional statutes unless diversity**):
28 USC § 1332

VI. CAUSE OF ACTION

Brief description of cause:

Breach of Insurance Contract

**VII. REQUESTED IN
COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION
UNDER F.R.C.P. 23

DEMAND S

CHECK YES only if demanded in complaint:
JURY DEMAND: Yes No

**VIII. RELATED CASE(S)
IF ANY**

PLEASE REFER TO CIVIL L.R. 3-12 CONCERNING REQUIREMENT TO FILE

"NOTICE OF RELATED CASE". Louis Vuitton Malletier, S.A. v. Managed Solutions Group, Inc., et al.

IX. DIVISIONAL ASSIGNMENT (CIVIL L.R. 3-2)
(PLACE AND "X" IN ONE BOX ONLY)

□ SAN FRANCISCO/OAKLAND

SAN JOSE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

I. (a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.C.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.

United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; federal question actions take precedence over diversity cases.)

III. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerks in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.

V. Origin. Place an "X" in one of the seven boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.

Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553
Brief Description: Unauthorized reception of cable service

VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

Demand. In this space enter the dollar amount (in thousands of dollars) being demanded or indicate other demand such as a preliminary injunction.

Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

VIII. Related Cases. This section of the JS 44 is used to reference related pending cases if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.